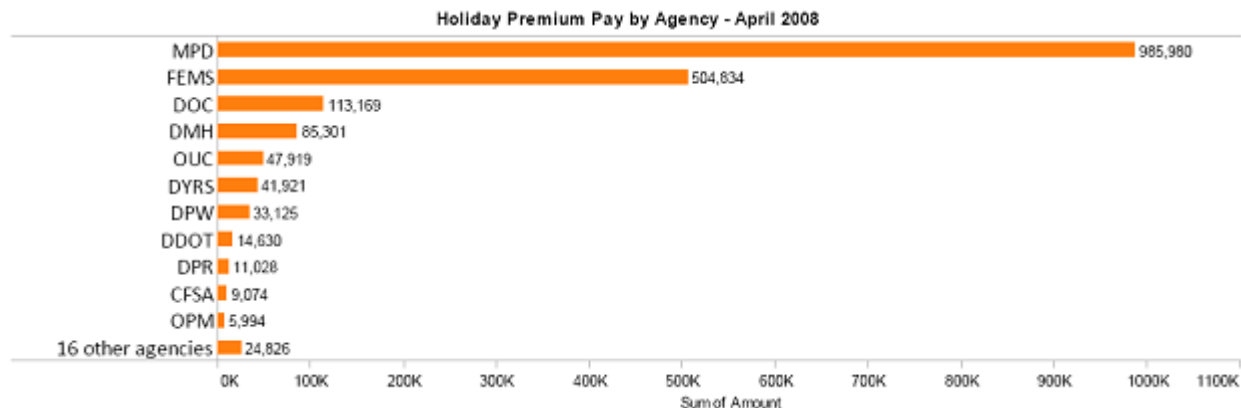


Reduction in holiday premium payouts

Mayor Fenty's proposed budget will save \$1.3 million by recognizing Emancipation Day as a legal private holiday.

The proposed budget assumes a reduction in the number of legal public holidays from eleven to ten, yielding decreased operating costs in agencies across the government. Savings will be achieved because essential employees who work on April 16 will be compensated at their regular earnings rate, instead of at a higher holiday premium rate. Beginning in 2010, government offices and departments will be open as usual; however, Emancipation Day will be a legal private holiday in the District of Columbia, and appropriate observances will continue.

The savings estimate is based on payroll data showing that, in April 2008, District employees earned a total of \$1,877,802 in holiday premium pay for work performed on Emancipation Day. These holiday premium earnings are summarized below by agency.



Nearly all of the work performed and compensated at the premium rate supports agencies' normal operating activities, rather than activities specific to Emancipation Day.¹ This work includes police and fire protection, 911/311 call center operations, inmate custody, and operation of secure facilities for mental health commitments and youth detention.

The proposed budget estimates \$1.3 million in direct savings from the eleven agencies named above. Besides holiday premium pay, the District will save shift differential payouts incurred when delivery of scheduled services (such as waste collection) is postponed as the result of a holiday. In addition, this proposal will result in productivity gains, representing the value of work performed by District employees in an average business day.

Alternatives to this cost savings proposal include the elimination of an additional 23 filled FTE positions.

¹ MPD costs from April 16, 2008, were significantly higher than on an average holiday, due to additional staffing required to support the state visit of Pope Benedict XVI. The costs of normal holiday staffing for MPD are estimated at \$480,000.